

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	Chapter 11
)	
W.R. GRACE & CO., <u>et al.</u> , ¹)	Case No. 01-1139 (JKF)
)	Jointly Administered
Debtors.)	Re: Docket No. 7611

**DEBTORS' WAIVER OF RESTRICTIONS IMPOSED BY FINAL ORDER PURSUANT
TO SECTIONS 105(a), 362(a)(3) AND 541 OF THE BANKRUPTCY CODE
(A) LIMITING CERTAIN TRANSFERS OF EQUITY SECURITIES OF THE DEBTORS
AND (B) APPROVING RELATED NOTICE PROCEDURES**

WHEREAS, this Court entered a final order (the "Final Order") on January 24, 2005 pursuant to the emergency motion (the "Motion")² of the debtors and debtors in possession (collectively, the "Debtors") seeking entry of an order pursuant to sections 105(a), 362(a)(3) and

¹ The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

² Unless otherwise defined herein, all capitalized terms used herein shall have the meanings set forth in the Final Order Pursuant To Sections 105(A), 362(A)(3) And 541 Of The Bankruptcy Code (A) Limiting Certain Transfers Of Equity Interests Of The Debtors And (B) Approving Related Notice Procedures, dated as of January 24, 2005.

541 of the Bankruptcy Code (A) limiting certain transfers of equity securities of the Debtors and (B) approving related notice procedures (Docket No. 7611);

WHEREAS, section 3(c) of the Final Order provides that no person or entity shall acquire stock of W. R. Grace & Co. ("Grace") that would result in such person becoming a Substantial Equityholder without first filing with this Court an Equity Acquisition Notice;

WHEREAS, section 4(h) of the Final Order provides that the Debtors may waive any notice requirements imposed by the Final Order, provided that such waiver is filed with this Court;

WHEREAS, on February 25, 2005, Citadel Limited Partnership, Citadel Investment Group, L.L.C., Kenneth Griffin, Citadel Wellington LLC, Citadel Kensington Global Strategies Fund Ltd., Citadel Equity Fund Ltd., Citadel Credit Trading Ltd., and Citadel Credit Products Ltd. (collectively, "Citadel") filed a notice with this Court indicating that Citadel had become a Substantial Equityholder;

WHEREAS, prior to affecting its acquisition of Grace's stock, Citadel did not file an Equity Acquisition Notice as required by the Final Order; and

WHEREAS, the Debtors have determined to waive Citadel's failure to file an Equity Acquisition Notice as required by the Final Order;

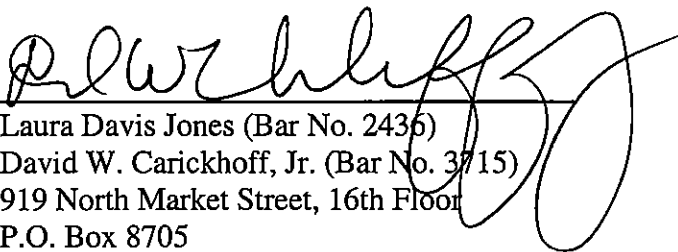
NOW THEREFORE, pursuant to section 4(h) of the Final Order, the Debtors hereby waive Citadel's failure to file an Equity Acquisition Notice as required by the Final Order with respect to the stock owned by Citadel as reflected on its February 25, 2005 Notice of Status as a Substantial Equityholder.

Dated: March 3, 2005

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